

**Category:** *Children's Toys*

**Methods:** *Package Testing, Virtual Shopping, Advanced Analytics, Quantitative Research, Shopper Insights*

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## Summary

Recently a major toy manufacturer was challenged by its management team to grow sales of its top brand. The brand, a long-established market leader, had weathered many economic ups and downs and was beloved by children and parents all over the world. The brand's marketers faced a big challenge and were considering a bold (and potentially risky) change to help shift the brand's growth trend upward. Consumer research was carefully crafted to understand shoppers' reactions to the revised packages, and ultimately revealed that the proposed changes would benefit the brand. It also led to some unexpected and very informative discoveries.



## Strategic Issues and Objectives

As the U.S. and world economies strengthened after World War II, many parents had comfortable disposable incomes and could indulge their children's dreams and desires. Like most youngsters, American children loved playing with toys; in fact, for over a half-century, kids had been enjoying imaginative play with our client's top toy brand.

As with many product categories, development and production of toys had greatly accelerated as consumers' appetites for new and better "things" seemed unquenchable. Manufacturers were continuously pressured to keep up with consumer desires. Product lines were extended, and then extended even further. Consequently, innovation became a major focus for our toy manufacturer client.

The retail landscape also grew and adapted to this demand. Toward the end of the twentieth century, big-box retailers entered the marketplace, and endless aisles of "things" were available for shoppers to admire and purchase. Exponential growth in the number of "things" being marketed led to clutter and confusion on the retail aisles. In turn, manufacturers struggled for share of shoppers' attention at the "moment of truth" in stores. Packaging was forced to play an ever-more-important role in the marketing mix.

Although our client's long-established and beloved brand was holding steady and maintaining its sales and market share, its desire was to improve sales and grow market share—even in this crowded, challenging market. The company asked us to help assess the impact of minor changes to package messaging, along with a radical change it was also considering: a complete change of the brand's color scheme.

## Research Objectives

The objective was to determine what impact, if any, the proposed package-design changes would have on brand impressions and sales. The impact on multiple product lines under the brand umbrella and across shopper groups was examined. Our client intended to use this research to help decide whether to make the extreme shift in brand visuals and also to choose a winning package design.

## Research Design and Methods

A quantitative survey, including both an extensive virtual-shopping exercise and a thorough package-design evaluation, was conducted online using our Logician® survey software and virtual shopping module. The analysis focused on the shopping exercises carried out by the respondents. The detailed package evaluation would provide diagnostic feedback to enhance our understanding of the virtual-shopping results. The ultimate goal was to determine which package design was strongest at generating sales for the client's products.

First, Decision Analyst created the digital images for the virtual retail shelves and constructed four shelf sets, each with approximately 150 facings. The shelves were representative of a typical plan-o-gram for the appropriate toy aisles of a big-box retailer. Two pairs of aisles were built: one pair contained the client's current package, and the other aisle displayed the test design. All other elements of each aisle remained constant. Based on demographics of their children and recent shopping behavior, respondents viewed one appropriate toy aisle for their shopping exercise.

During the shopping task, we observed and recorded every interaction shoppers had with packages. Respondents could “pick up” a toy with a mouse click. Multiple sides of each package could be viewed, and toys could be put back on a shelf or in a



virtual-shopping cart. Shoppers could examine, replace, or purchase as many toys as they wished. Next, respondents focused on one version of the client's package and were asked to evaluate several aspects of it. We asked questions to understand the imagery the packages portrayed and interest the packages elicited in the products.

## Results

The virtual-shopping exercise showed that the proposed changes would positively impact the brand's sales. The new packaging attracted more attention and generated more shopper interaction, and the nuanced package messaging generated even more positive attitudes toward the brand. We also discovered that shoppers' behavior was different across the two toy categories. This totally new insight allowed our client to think about packaging and on-pack or on-shelf messaging in new ways. They learned about more opportunities to communicate with customers, and that they could send new and different messages to them right there at the retail shelf. The company adopted the new package color and messaging and has enjoyed tremendous success with it.